

COUNTY OF YORK

MEMORANDUM

DATE: September 7, 2001 (BOS Mtg. 10/2/01)

TO: York County Board of Supervisors

FROM: James E. Barnett, County Attorney

SUBJECT: Contract for Electric Service with Virginia Electric and Power Company

Periodically, the Virginia Municipal League (VML) and the Virginia Association of Counties (VACo) have jointly undertaken the task of negotiating an electric service agreement with Vepco on behalf of Virginia local governments. Localities are certainly free to negotiate individual agreements on their own, but in the past York County has been happy with the results of the VML/VACo negotiations. The current agreement with Vepco technically expired as of June 30, 2000, but the utility company has continued to provide electric power to the County under that agreement since then, with one adjustment (in the County's favor) due to a change in state tax law. VML/VACo have now forwarded to Virginia local governments a proposed new contract which would be valid through June 30, 2007. Robert L. Peters, II, Chief, Engineering and Facility Maintenance, has reviewed the contract, and spoken at length with Vepco officials, and has determined that the overall budgetary impact of the new agreement is "negligible," although there is a potential for a small decrease in utility rates of from 1% to 1.5%. His memo to me is attached. Vepco has requested that the County approve and return signed copies of the agreement by October 8, 2001.

I have not included a copy of the book of attachments to the contract as it is rather bulky, but a copy of the contract itself is attached.

I recommend the adoption of the attached resolution which will authorize the County Administrator to execute the proposed new electric service agreement.

Barnett/3340
Attachments

- Agreement for Provision of Electric Service
- Memorandum from Robert L. Peters, II, dated September 6, 2001
- Proposed Resolution No. R01-168